

COUNCILMEMBER CARL DEMAIO

FIFTH DISTRICT

CITY OF SAN DIEGO

MEMORANDUM

DATE: February 14, 2011

TO: Mayor Jerry Sanders

Jan Goldsmith, Office of the City Attorney

Andrea Tevlin, Office of Independent Budget Analyst

FROM: Councilmember Carl DeMaio

RE: Preparing for the Proposed Elimination of Redevelopment Agencies

Governor Brown's proposal to eliminate Redevelopment Agencies would have serious consequences for the future of San Diego. While we may object to this plan, it is important for city officials to demonstrate proactive leadership in preparation of Governor Brown's action and during the transition that would follow. Our singular goal must be to protect the General Fund.

Therefore, I respectfully request that the Mayor, the City Attorney and the Independent Budget Analyst respond to the City Council and the taxpayers of San Diego regarding three critical questions that will likely result if the State eliminates Redevelopment Agencies.

- 1. Identify and score any impact to the General Fund of any elimination of Redevelopment Agencies as of July 1, 2011.
- 2. Identify any legal or financial impacts and options for dissolving the Centre City Development Corporation and the Southeastern Development Corporation.
- 3. Ascertain whether any memoranda of understanding, participation agreements, or any other contracts with other government entities or private entities that have obliged or committed redevelopment funds for any projects would remain in place or if there is a risk that those obligations would revert to the General Fund.

We must address these issues and consider the total impact of Redevelopment Agency elimination while there is still time to take action to protect the General Fund and avoid a further reduction in core service levels.

CC: City Council